

STATE OF SOUTH CAROLINA

(Caption of Case)

Duke energy Carolinas, LLC Application for  
Authority to Adjust and Increase the Company's  
Electric Rates and Charges

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2011 - 271 - E

(Please type or print)

Submitted by: Charles A. Castle

SC Bar Number: 79895

Address: Duke Energy  
550 S Tryon St., DEC45A  
Charlotte, NC 28202

Telephone: 704.382.4499

Fax: \_\_\_\_\_

Other: \_\_\_\_\_

Email: alex.castle@duke-energy.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☐ Other: \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input checked="" type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	



Timika Shafeek-Horton  
Deputy General Counsel

Duke Energy Carolinas, LLC  
550 South Tryon Street  
Charlotte, NC 28202

Tel 704.382.6373  
Fax 980.373.8534  
timika.shafeek-horton@duke-energy.com

October 19, 2011

Jocelyn Boyd, Chief Clerk of the Commission  
Public Service Commission of South Carolina  
P. O. Drawer 11649  
Columbia, South Carolina 29211

RE: Docket No. 2011-271-E

Dear Ms. Boyd:

Enclosed for filing is Duke Energy Carolinas, LLC's Affidavit for the Notice of Hearing Bill Insert regarding the subject matter. This corrects our filing dated October 18, 2011.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads 'Timika Shafeek-Horton'.

Timika Shafeek-Horton

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Enclosures

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**DOCKET NO. 2011-271-E**

IN RE:

Duke Energy Carolinas, LLC Application for  
Authority to Adjust and Increase the Company's  
Electric Rates and Charges

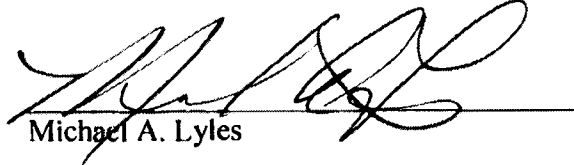
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**AFFIDAVIT**

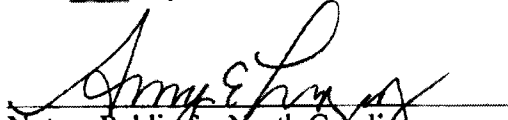
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PERSONALLY APPEARED before me, Michael A. Lyles, who being first duly sworn, deposes and says that he is Manager, Marketing Communications for Duke Energy Carolinas, LLC; that at his direction and under his supervision the Notice of Hearing attached hereto as Exhibit A and incorporated herein ("Notice") has been furnished either by U.S. Mail, or by electronic mail to customers who have agreed to receive the Notice by electronic mail, to all applicable customers of Duke Energy Carolinas, LLC on or before September 28, 2011.

FURTHER AFFIANT SAYETH NOT.

  
Michael A. Lyles

Sworn to and subscribed before me  
This 19<sup>th</sup> day of October, 2011.

  
Notary Public for North Carolina  
My Commission Expires: 11/16/12

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

**CLERK'S OFFICE**

**NOTICE OF FILING AND HEARING**

**DOCKET NO. 2011-271-E**

**DUKE ENERGY CAROLINAS, LLC – Application for Authority to Adjust and Increase the Company's Electric Rates and Charges**

On August 5, 2011, Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or the "Company") filed an Application with the Public Service Commission of South Carolina ("Commission") requesting authority to adjust and increase its retail electric rates, charges, and tariffs. The Application was filed pursuant to S.C. Code Ann. Section 58-27-820 and 58-27-870 (Supp. 2010) and 26 S.C. Code Ann. Regs. 103-303 and 103-823 (Supp. 2010).

Duke Energy Carolinas states in its Application that it has made capital investments in its electric system for plant modernization, environmental compliance and capital additions. Since the conclusion of the last rate case, Duke Energy Carolinas has made approximately \$6.5 billion in capital investments. These investments include (1) Cliffside Unit 5 Scrubber; (2) Buck Combined Cycle Project; (3) Tornado/High Energy Line Break work at Oconee Nuclear Station for phase I in-service investment; (4) Bridgewater Powerhouse Replacement Project; (5) Generation Maintenance and Nuclear Fuel; (6) Transmission and Distribution Plant; (7) Other General Plant projects, and (8) CWIP related to Cliffside Unit 6; the Tornado/High Energy Line Break work at Oconee Nuclear Station for the phase II investment; Dan River Combined Cycle Project; Other Nuclear, Fossil, Hydro, and Combustion Turbine; and Transmission, Distribution, and Other General Projects. The Application also states that the current revenues are insufficient to cover the cost of operating and maintaining a safe and reliable electric system.

The Application reveals, that in addition to capital investments, approximately \$9 million of the rate increase is due to employee benefits cost increases. The request also includes \$10 million annually for the next three years for costs associated with the Company's Voluntary Opportunity Program that provided a means for individuals to voluntarily leave the Company and amortization of pension settlement expense. The remaining \$6 million increase in revenue requirements is due to post test year costs, additional financing costs and other ancillary ratemaking adjustments filed in conjunction with the Company's Application.

Duke Energy Carolinas requests that the proposed increases be effective on or after February 5, 2012. The overall increase to rates by customer class, according to the Application, is as follows: 16.84% for the residential class, 11.24% for the general service class, 12.76% for the industrial class, 13.66% for Rate OPT, and 14.11% for the outdoor lighting class.

A copy of the Company's complete Application, as well as the proposed rates, charges and tariffs may be obtained from the Commission at the following address: Public Service Commission of South Carolina, Clerk's Office, 101 Executive Center Drive, Columbia, South

Carolina 29210. Additionally, the Application is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) and is available from Timika Shafeek-Horton, Deputy General Counsel, Duke Energy Carolinas, LLC, 550 South Church Street, DEC45A, Charlotte, North Carolina 28201 or Frank R. Ellerbe, III, Esquire, Robinson, McFadden & Moore, P.C., Post Office Box 944, Columbia, South Carolina 29202.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, Saluda Building, 101 Executive Center Drive, Columbia, South Carolina 29210, **beginning on Wednesday, December 7, 2011, at 10:30 a.m.**

Any person who wishes to participate in this matter as a party of record with the right of cross-examination, should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **October 19, 2011**, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence. Please refer to ***Docket No. 2011-271-E***.

Any party who wishes to testify and present evidence at the hearing should notify the Clerk's Office in writing at the address below, the Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, SC 29201; Timika Shafeek-Horton, Deputy General Counsel, Duke Energy Carolinas, LLC, 550 South Church Street, DEC45A, Charlotte, North Carolina 28201 or Frank R. Ellerbe, III, Esquire, Robinson, McFadden & Moore, P.C., Post Office Box 944, Columbia, South Carolina 29202, on or before **October 19, 2011**, and indicate the amount of time required for his presentation. Please refer to ***Docket No. 2011-271-E***.

**Any person who wishes to request that the Commission hold a public hearing in his or her county of residence, and does not want to intervene as a party of record in this matter, should notify the Clerk's Office in writing at the address below, the Office of Regulatory Staff, at 1401 Main Street, Suite 900, Columbia, SC 29201; Timika Shafeek-Horton, Deputy General Counsel, Duke Energy Carolinas, LLC, 550 South Church Street, DEC45A, Charlotte, North Carolina 28201 or Frank R. Ellerbe, III, Esquire, Robinson, McFadden & Moore, P.C., Post Office Box 944, Columbia, South Carolina 29202, on or before October 7, 2011. Please refer to *Docket No. 2011-271-E*.**

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Clerk's Office in writing at the address below on or before **October 19, 2011**. Please refer to ***Docket No. 2011-271-E***.

**PLEASE TAKE NOTICE:** Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

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Notice of Filing & Hearing  
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Persons seeking information about the Commission's Procedures should contact the Commission by dialing (803) 896-5100.

Public Service Commission of South Carolina  
Attn: Clerk's Office  
Post Office Drawer 11649  
Columbia, South Carolina 29211